Pushing the Boundaries

New Approaches to Drive Inclusion - Focus on Gender, Multicultural & Multigenerational

Lisa George
VP, International Talent
Walmart
(Former VP of Talent, Cardinal Health)

Julie Holbein
Director of Talent Management
Cardinal Health
The Talent Tsunami
Cardinal Health - Essential facts

#26 FORTUNE 500 ranking

Serving more than 20,000 pharmacies nationwide

More than 10,000,000 time-critical, patient-specific radiopharmaceuticals delivered annually

We provide resources to more than 75% of U.S. hospitals

In home healthcare, we serve 1.8 million patients with 40,000 products

We manufacture or source more than 2.5 billion products each year

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George Barrett, Chairman and CEO - Cardinal Health

“I want the best talent on earth, period – full stop.”

“If we have a more talented, inspired, diverse organization than our competitors then we’re going to win in the marketplace.”

“You have to do more than mobilize people’s brains. You have to mobilize their hearts... you have to create an environment in which people can thrive.”
The Cardinal Health Journey
Build a strong foundation
The Cultural Transformation of Cardinal Health
Integrated Talent Management is an Enabler
#1  Start at the top = C Suite Skills
Crucial C-Suite Skills

Commitment & Conviction
Constantly Growing
Curious
Courageous Champion
Connected
#2  Set an aspiration = Commitment
#3 Explain the business case = Conviction
#4  Be prepared to get uncomfortable
Gender Partnership
Explain the business case

Women – your future bench strength

10,000 Baby Boomers turn 65 every day for the next 15 years

Percent of All College Degrees* 1970 - 2020


*Includes: Associate’s, Bachelor’s, Master’s, First-professional and Doctor’s degrees
Female Talent is being lost

45% of S&P 500 workforce
37% of managers
25% of senior level executives
19% of board seats
5% of CEOs

Women make 94% of medical purchasing decisions!

SOURCE: Unlocking the Full Potential of Women at Work, McKinsey 2012
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Women’s Initiative Network (WIN) aspiration

To foster partnerships which create a great place for women to work and grow their careers, while creating a sustainable advantage.
WIN FY15 bold goals

• Promote women at the same rate as men

• Increase representation of women in line positions

• Develop more male advocates for gender diversity

• Leverage WIN with customers as a competitive advantage
## Support mentoring and sponsorship

### Know the difference

<table>
<thead>
<tr>
<th>Mentors</th>
<th>Sponsors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Any organizational level</td>
<td>• Senior leaders with clout</td>
</tr>
<tr>
<td>• Serve as role models</td>
<td>• Give exposure to other influential executives</td>
</tr>
<tr>
<td>• Source for skill set development</td>
<td>• Fight for a challenging assignment, cause, project or promotion for protégé</td>
</tr>
<tr>
<td>• Help mentees learn to navigate corporate politics</td>
<td>• Protect protégé from negative publicity or provides air cover</td>
</tr>
<tr>
<td>• Offer guidance, emotional support, feedback and advice</td>
<td>...sponsors push and protect</td>
</tr>
</tbody>
</table>

...mentors offer support and development

...sponsors push and protect
Involve men
Measure results
Results – The numbers

• 1 WIN chapter to **8 chapters with >2,500 members**

• **Women Leading Change & Partners Leading Change**

• 1 woman with P&L >$500M to **5 women with P&L >$500M**

• All management & above require **diverse slates**

• Number of VP-level women up from **28% to 31% in 2 years**

• **Bonus modifier** added to all managers and above
Cardinal Health Sponsorship Initiative

- 670 hours were invested in the sponsor/protégé relationship
- Women were represented in the protégé group at a ratio of 2:1
- 125 active protégés
- 61 active sponsors

![Bar chart showing hours invested in different areas]

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Since February 2014, there have been 53 career moves for protégés in the Sponsorship Initiative.

- 25 promotions
  - 21 females
  - 7 racially diverse

- 28 laterals
  - 20 females
  - 10 racially diverse
Aha Moments

- Ask candidates to raise their hands
- Give the opportunity for the tough assignment
- Deliver direct feedback
- Describe performance consistently
- Empower & drive self awareness
- Develop Truth Tellers
Partnership is the key

Involve Men, Advocates & Allies

Understand & celebrate differences

Open up the dialogue, Empower, Create Truth Tellers……..
Staying Uncomfortable
Multicultural & Multigenerational Focus
"Snowballs? I thought we were discussing coconuts."
36,000+
Simple & Effective Solutions

- Emerging Talent
- Diversity Talent Review
- Cultural Education
- Enhanced Performance Management
- Development is as Easy as 1, 2, 3
EMERGE – Accelerated Development

**Purpose**
Prepare participants for a manager level role through a robust training curriculum and challenging rotation assignments.

**Target Audience**
High caliber college graduates and high performing entry level employees.

**Format**
Rotational assignments various functions throughout the company. In addition, candidates will participate in functional specific training, cross functional workshops, career coaching, mentoring and networking.

**Candidate Pool**
High performing employees, summer interns and college recruits.

**Length of Program**
3 Years
EMERGE – Going with the Pull

2012 = 87 participants
- Finance
- EIT
- Operations
- Engineering

2016 = ~140 participants
- Finance
- EIT
- Operations
- Engineering
- Marketing
- Human Resources
- Sales
Diverse Talent Review

Targeted on females and ethnically diverse Managers and above.

Action-oriented

Partnership with Diversity & Inclusion

C-Suite exposure
Cultural Education

Cultural Orientations Indicator® (COI)

The Cultural Orientations Indicator® assesses cultural preferences at work

- Instant access to your results
- Psychometrically validated
- Available in 11 languages
- Build team profiles
- Compare with national cultures
Enhanced Performance Management
Development is as Easy as 1, 2, 3

1. Key Development Area
   Where are you now and where are you going?

2. Development Actions
   How can you get to where you are going?

3. Follow Up Dates
   Is progress being made?
Results
Talk to me…

Making performance management more about the conversation – not just about a rating.

<table>
<thead>
<tr>
<th>Voice of the Employee Item (&lt;27 yrs of age)</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager &amp; I discuss career growth and development</td>
<td>+ 9 pp</td>
</tr>
<tr>
<td>I receive meaningful recognition for a good job</td>
<td>+ 5 – 13 pp</td>
</tr>
<tr>
<td>My managers supports &amp; encourages my career development</td>
<td>+ 5 – 15 pp</td>
</tr>
<tr>
<td>My manager provides me with useful &amp; timely feedback</td>
<td>+ &lt;18 pp</td>
</tr>
</tbody>
</table>
Results VOE Survey FY’10-FY’15:

Build Innovation & Adaptability
+5.3 pp.

Manager Effectiveness
+6.7 pp.

Inclusion
+7.2 pp.

Engagement
+6.2 pp.

Trust
+7.4 pp.
Our Journey Beyond Engagement

Manager Effectiveness

Recognition

Customer Commitment

VOE Participation

Inclusion

Engagement

Performance

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Q&A
Thank you!